

December 16, 2004

Mr. Christopher M. Crane
President and Chief Nuclear Officer
AmerGen Energy Company, LLC
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION - ENVIRONMENTAL
ASSESSMENT TO SUPPORT EXEMPTION FROM 10 CFR 2.109(b)
(TAC NO. MC3967)

Dear Mr. Crane:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your application dated August 10, 2004, for an exemption from the provisions of 10 CFR 2.109(b) regarding timeliness of license renewal application.

The assessment is being forwarded to the Office of the Federal Register for publication.

Sincerely,

\RA

Peter S. Tam, Senior Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-219

Enclosure: Environmental Assessment

cc w/encl: See next page

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*Revision affirmed by e-mail from K. Winsberg on 12/15/04.

UNITED STATES NUCLEAR REGULATORY COMMISSIONAMERGEN ENERGY COMPANY, LLCDOCKET NO. 50-219OYSTER CREEK NUCLEAR GENERATING STATIONENVIRONMENTAL ASSESSMENT AND FINDING OFNO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an exemption from certain requirements of Title 10 of the *Code of Federal Regulations* (10 CFR), Subsection 2.109(b), for Facility Operating License No. DPR-16, which authorizes operation of the Oyster Creek Nuclear Generating Station (OCNGS), a boiling-water reactor facility, located in Ocean County, New Jersey. Therefore, as required by 10 CFR 51.21, the NRC is issuing this environmental assessment and finding of no significant impact.

ENVIRONMENTAL ASSESSMENTIdentification of the Proposed Action:

Subsection 109(b) of 10 CFR Part 2 states, "If the licensee of a nuclear power plant licensed under 10 CFR 50.21(b) or 50.22 files a sufficient application for renewal of an operating license at least 5 years prior to the expiration of the existing license, the existing license will not be deemed to have expired until the application has been finally determined." This requirement for license renewal applications was established in December 1991 in conjunction with the publication of the final license renewal rule, 10 CFR Part 54, "Requirements for Renewal of Operating Licenses for Nuclear Power Plants" (56 FR 64943).

AmerGen's application requested an exemption from the timing requirements of 10 CFR 2.109(b), for submittal of the OCNCS license renewal application. The exemption would allow the submittal of the renewal application with less than 5 years remaining prior to expiration of the operating license while maintaining the protection of the timely renewal provision in 10 CFR 2.109(b).

The proposed action is in accordance with the licensee's application for exemption dated August 10, 2004.

The Need for the Proposed Action:

AmerGen stated that the OCNCS license renewal application would be submitted in July 2005 and that application of the 5-year term in 10 CFR 2.109(b) for filing a license renewal application is not necessary in this situation to achieve the purpose of the regulation. The July 2005 filing date, which is approximately 44 months before expiration of the existing license in April 2009, according to AmerGen will provide the NRC staff with ample time in which to perform a full and adequate review.

The licensee proposed an exemption from the requirements of 10 CFR 2.109(b), to allow submittal of the license renewal application with less than 5 years remaining prior to expiration of the operating license, while maintaining the protection of the timely renewal provision in 10 CFR 2.109(b).

Environmental Impacts of the Proposed Action:

The NRC has completed its evaluation of the proposed action and concludes that the pursuant to 10 CFR 50.12(a), the proposed exemption is authorized by law, will not endanger life or property or common defense and security, and is, otherwise, in the public interest. In addition, special circumstances exist to justify the proposed exemption. The details of the staff's evaluation will be provided in the exemption that will be issued as part of the letter to the licensee approving the exemption to the regulation.

The proposed action will not significantly increase the probability or consequences of accidents. No changes are being made in the types of effluents that may be released offsite. There is no significant increase in the amount of any effluent release offsite. There is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential non-radiological impacts, the proposed action does not have a potential to affect any historic sites. It does not affect non-radiological plant effluents and has no other environmental impact. Therefore, there are no significant non-radiological environmental impacts associated with the proposed action.

Accordingly, the NRC staff concludes that there are no significant environmental impacts associated with the proposed action.

Environmental Impacts of the Alternatives to the Proposed Action:

As an alternative to the proposed action, the NRC staff considered denial of the proposed action (i.e., the "no-action" alternative). Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources:

The action does not involve the use of any different resources than those previously considered in the Final Environmental Statement for OCNGS, dated December 1974, published by the Atomic Energy Commission.

Agencies and Persons Consulted:

In accordance with its policy, on December 16, 2004, the NRC staff consulted with the New Jersey State official, Mr. Richard Pinney, of the New Jersey Department of Environmental Protection, Bureau of Nuclear Engineering, regarding the environmental impact of the proposed action. During the consultation, the NRC staff acknowledged a September 23, 2004, letter from

Mr. Bradley Campbell, Commissioner of the State of New Jersey Department of Environmental Protection, which opposed the exemption. The NRC staff responded by letter dated November 2, 2004. No environmental concerns were raised by the September 23, 2004 letter. During the consultation, the State official had no additional comments regarding the environmental aspects of the exemption.

FINDING OF NO SIGNIFICANT IMPACT

On the basis of the environmental assessment, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the NRC has determined not to prepare an environmental impact statement for the proposed action. However, a site specific supplement to the "Generic Environmental Impact Statement for License Renewal of Nuclear Plants (NUREG-1437)" will be required for the license renewal application submitted under this exemption.

For further details with respect to the proposed action, see the licensee's letter dated August 10, 2004. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the

NRC PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or by e-mail to pdr@nrc.gov.

Dated at Rockville, Maryland, this 16th day of December 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

\RA

Peter S. Tam, Senior Project Manager, Section 1
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